STATE OF NEW HAMPSHIRE DEPARTMENT OF ENERGY

IP 2022-XXX

Investigative Proceeding Relative to Customer-Generator Interconnection

ORDER OF NOTICE

On July 8, 2022, the Governor signed into law SB 262 (2022), requiring the Department of Energy ("Department") to initiate a proceeding to investigate the potential modification of the rules of the public utilities commission in PUC 903.01(e) to ensure cost-effective, predictable, and timely interconnection procedures for customer generators to the state's electric distribution system. The legislature further directed the Department to consult with electric distribution utilities, distributed generation project developers, and any person or entity the Department deems relevant to its study.

The Department must report its findings and recommendations to the standing committees of the House of Representatives and the Senate with jurisdiction over energy and utility matters no later than one year after this order initiating the proceeding. The report will identify ways any recommended statutory changes can reduce barriers to cost-effective, predictable, and timely interconnection of distributed energy resources to the state's electric distribution system.

Pursuant to the Department's investigative powers established in RSA 12-P:10, the Department opens this proceeding and directs the participation of all three regulated electric distribution utilities in this proceeding and requests responses from them on the following issues. Furthermore, the Department invites other interested persons, including distribution generation project developers and the New Hampshire Electric Cooperative, to submit comments as well.

Request for Comments - Set 1

Please examine and make specific recommendations regarding the following:

 How to create transparent, consistent, and reasonable engineering standards for interconnection, with special consideration given to established best practices used by other states as set forth in the Interstate Renewable Energy Council's (IREC) 2019 Model Interconnection Procedures.

- a. Please identify the applicable existing, and pending, interconnection codes, statutes, standards, and procedures that apply to the interconnection kW thresholds for various Distributed Energy Resource (DER) technologies (Battery, Wind, Solar, etc.). Include Federal, State, and Local requirements.
- b. Please provide feedback on the IREC 2019 Model Interconnection Procedures. Include responses to the following questions:
 - i. Have any entities adopted this model?
 - ii. Is there interest in adopting this model in the future?
 - iii. If there is interest, are there any procedures that need to be addressed to respond to directives or goals of SB 262?
 - iv. Are there other preferred model interconnection procedures and, if so, what are they?
- 2. How to ensure timely, consistent, and reasonably-priced interconnection studies.
 - a. Please identify issues, concerns, and impediments to completing timely interconnection evaluations/studies.
 - b. To the extent possible, please identify the issues and kW thresholds that impact the level of effort, and therefore the schedule and cost of completing interconnection evaluations/studies.
- How to ensure just and reasonable pricing of grid modernization upgrades mandated by the
 distribution utility for interconnection of distributed energy resources, including transparency
 and consistency in pricing guidelines and appropriate cost-sharing among parties benefitting
 from such upgrades.
 - a. Please identify issues and concerns, if any, regarding the transparency of interconnection cost estimates and schedules.
 - b. Please identify options for appropriate cost-sharing as well as issues and concerns.

- 4. How to ensure distribution system upgrades paid for by customer-generators are not claimed as part of the utility rate-base.
 - a. Identify methods for ensuring transparency of how system upgrade costs are applied.
- 5. Whether it is appropriate to establish an "Interconnection Working Group" convened at the Department to regularly assess if interconnection standards need modification.
 - a. Identify potential benefits, issues, and concerns on the concept of an "Interconnection Working Group."

Petitions to intervene are not required to submit comments. Parties wishing to be on the service list for this proceeding should provide an email address to receive correspondence. Inquiries regarding this proceeding may be directed to Proceedings@energy.nh.gov.

Based upon the foregoing, it is hereby

ORDERED, Responses to the Set 1 Request for Comments be filed with the Department by February 1, 2023, by emailing them to Proceedings@energy.nh.gov; and it is

FURTHER ORDERED, a copy of this order of notice shall be posted on the Department's website no later than <u>Peccaller</u> 5, 2022; and it is

FURTHER ORDERED, the Department shall post non-confidential information received in response to this investigation on its website, as it deems appropriate; and it is

FURTHER ORDERED, Inquiries regarding this proceeding may be directed to Proceedings@energy.nh.gov.

So ordered, this 5th day of December, 2022.

Jared S. Chicoine Commissioner Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Department of Energy, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-3670; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made no later than one week prior to the scheduled event.